



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

**Department of Environmental
Conservation**

DIVISION OF WATER
Alaska Pollutant Discharge Elimination System

Post Office Box 111800
Juneau, Alaska 99811-1800
Main: 907.465.5272
Fax: 907.465.5274

April 14, 2014

Subject: Early notification of wastewater discharge general permit associated with the Cook Inlet oil and gas exploration, production, and development

Dear Local and Tribal Government Leaders:

The Alaska Department of Environmental Conservation (DEC) will be drafting an Alaska Pollutant Discharge Elimination System (APDES) general permit for oil and gas exploration, development and production facilities in Cook Inlet in the near future. General permit AKG315200 – Oil and Gas Exploration, Development, and Production Facilities in State Waters in Cook Inlet (permit) will authorize discharge of pollutants from oil and gas facilities to state waters including coastal waters north of the southern end of Kalgin Island and the landward side of the three nautical mile demarcation in the territorial sea. See enclosed Area of Coverage Map.

The proposed permit would primarily authorize discharge of wastewater typical of marine vessels, including deck drainage, sanitary and domestic waste, desalinations unit wastes, boiler blowdown water, fire control system test water, non-contact cooling water, and uncontaminated ballast water and bilge water. In addition, the permit would authorize discharges of wastewater typical with offshore oil and gas exploration, development, and production activities, including mud and drilling fluids; drill cuttings; excess cement slurry and cement at the seafloor; blowout preventer fluid; waterflooding discharges; produced water; test fluids and produced sand; and completion, well treatment, and workover fluids.

To ensure the protection of water quality and human health, the permit would set conditions on the discharge including effluent limitations and establish best management practices operators would be required to implement. The permit would allow applicants to request a zone in which certain substances could be deposited on the marine floor. DEC would authorize a zone of deposit if it is consistent with the Clean Water Act (CWA) and regulations found in Title 18 Chapter 70 of Alaska Administrative Code. State water quality standards would be required to be met at every point outside the zone of deposit and in the water column.

A general permit is unique in that it is not issued to a single operator but instead provides a permitting mechanism under which any qualifying operator may seek coverage. Operators requesting permit coverage must file a Notice of Intent (NOI) with DEC. Interested parties have an opportunity to comment and provide information on development of a general permit, however public notice does not typically occur when a qualified applicant submits an NOI to receive authorization to discharge. The permit is anticipated to be issued in the spring of 2015 and will have a term of five years.

DEC strives to notify any local or tribal government that may be affected by a permitted activity early in the permitting process. This letter is intended as an early notice to assist you in determining whether your community may be affected and inform you of the opportunity to provide traditional, cultural, or other local information DEC should consider when drafting this APDES permit.

Opportunities for tribal and local government participation in this permitting decision

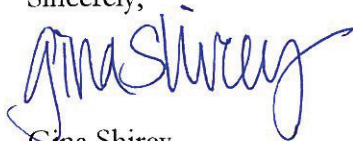
DEC recognizes rural Alaska has unique needs and considerations with regard to oil and gas development projects and strives to issue permits that reflect a full understanding of local conditions. DEC would appreciate knowing how your area and resources may be affected by this permitting action.

In addition, DEC is planning to hold workshops in Homer and Anchorage in May 2014 to support development of the draft permit. The purpose of these workshops is to provide public education about the regulatory framework and procedures that determine how permits are developed and discuss any specific concerns about the proposed reissuance of the permit with leaders in local and tribal governments. Due to space limitations, these workshops are by selective invitation based on current and past interest. Therefore, DEC requests that you take this opportunity to provide us with a response indicating your interest and any specific concerns about the permit your organization would want to cover specifically at the workshop. See enclosed Workshop Flyer for more information.

Once a draft permit is developed, I will provide the public notice for the Draft Permit and Fact Sheet by mail at the start of the public comment period and can provide the draft documents upon request. I can also provide notice of the preliminary draft and proposed final review periods, but due to the short timeframes for review (ten days and five days, respectively), notices are not sent by mail. Please provide an email address or fax number if you would like to receive notices for the Preliminary Draft and Proposed Final review periods.

If you would prefer to receive all notifications by email or fax, do not want to receive further mailings about this permit, would like more information, or provide DEC with information, please do not hesitate to contact me at (907) 465-5272 or at gina.shirey@alaska.gov. You may also directly contact our technical contact, Natalie Wagner, at (907) 269-7956 or at natalie.wagner@alaska.gov.

Sincerely,



Gina Shirey
Local and Tribal Government Coordinator

Enclosure: Area of Coverage Map
 Workshop Flyer

cc: Potentially Affected Local Governments
 Potentially Affected Federally-recognized Indian Tribes
 Cook Inlet RCAC